

FILED

SEP 12 2012

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

EUGENE R. WEDOFF,
BANKRUPTCY JUDGE

In re:

CANOPY FINANCIAL, INC.

Debtor.

Case No. 09 B 44943

Chapter 7

FINDINGS OF FACT AND CONCLUSIONS OF LAW IN SUPPORT OF ORDER AWARDING TO SEYFARTH SHAW LLP, ATTORNEYS FOR CHAPTER 7 TRUSTEE, FOR ALLOWANCE AND PAYMENT OF EIGHTH INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES

TOTAL FEES REQUESTED: \$1,621,029.50
TOTAL FEES REDUCED: \$1,920.00
TOTAL FEES ALLOWED: \$1,619,109.50

TOTAL COSTS REQUESTED: \$33,429.53
TOTAL COSTS REDUCED: \$300.00
TOTAL COSTS ALLOWED: \$33,129.50

TOTAL FEES AND COSTS ALLOWED: \$1,652,239.03

(2) Unreasonable Time

The Court denies the allowance in part of compensation for the following task since the professional or paraprofessional expended an unreasonable amount of time on this task in light of the nature of the task, the experience and knowledge of the professional performing the task, and the amount of time previously expended by the professional or another on the task. *In re Pettibone*, 74 B.R. 293, 306 (Bankr. N.D. Ill. 1987) ("The Court will determine what is the reasonable amount of time an attorney should have to spend on a given project... An attorney should not be rewarded for inefficiency. Similarly, attorneys will not be fully compensated for spending an unreasonable number of hours on activities of little benefit to the estate."); *In re Wildman*, 72 B.R. 700, 713 (Bankr. N.D. Ill. 1987) (same).

As to the time devoted to the preparation of the fee application itself, the Court denies the allowance of compensation that is disproportionate to the total hours in the main case. *In re Wildman*, 72 B.R. 700, 711 (Bankr. N.D. Ill. 1987) ("In the absence of unusual circumstances, the hours allowed by this Court for preparing and litigating the attorney fee application should not exceed three percent of the total hours in the main case."); *In re Spanjer Bros., Inc.*, 203 B.R. 85, 93 (Bankr. N.D. Ill. 1996) (compensation limited to 5%). See also *In re Pettibone Corp.*, 74 B.R. 293, 304 (Bankr. N.D. Ill. 1987) (citing *Coulter v. State of Tennessee*, 805 F.2d 146, 151 (6th Cir. 1986) (in non-bankruptcy cases, compensation for preparation and litigation of fee petitions limited to 3-5% of the hours of the main case)).

(3) Reimbursement Limited to Actual, Necessary Expenses

The Court denies the allowance of reimbursement for expenses that were not actually and necessarily incurred by the applicant. See 11 U.S.C. §§ 330(a)(1)(B) & 331.

Dated: 9/12, 2012

Eugene R. Wedoff
United States Bankruptcy Judge